

# FISCAL NOTE

## SB 1020 - HB 1627

March 21, 2005

**SUMMARY OF BILL:** Changes the minimum GPA a student must maintain to retain the HOPE scholarship from 2.75 after first 24 semester hours and 3.0 thereafter, to 2.5 throughout the student's college career.

### ESTIMATED FISCAL IMPACT:

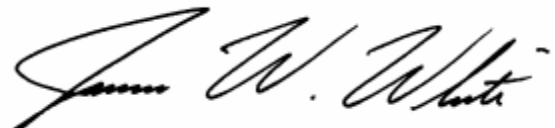
**Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by an amount estimated to be approximately \$10,906,000 FY05-06 and approximately \$19,987,000 in FY06-07.**

#### Assumptions:

- The renewal rate for lottery scholarship recipients is estimated to increase by 15% percent between the freshman and sophomore years and would increase by 10% in subsequent years. This estimate is based on current enrollment trends.
- Reducing the renewal criterion to a 2.5 GPA is estimated to increase the number of students who would be eligible to receive the scholarship by approximately 3,700 students in FY05-06 with awards totaling \$10,906,000. In FY06-07 the increase in the number of students would be approximately 6,500 with awards totaling \$19,987,000.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director